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# HOUSE BILL No. 1315

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 8-1-2-128; IC 8-1-2-129.

**Synopsis:** Universal telecommunications service. Requires the utility regulatory commission (IURC) to adopt rules to preserve and expand universal telecommunications service throughout Indiana. Provides that the rules adopted must: (1) designate certain telecommunications services as universal services that should be available in all regions of Indiana at just, reasonable, and comparable rates; (2) identify certain geographic areas in Indiana as underserved areas; (3) impose a customer surcharge on local exchange access service; (4) be consistent with federal universal service regulations; and (5) provide a funding mechanism to operate in coordination with federal universal service support mechanisms. Establishes a telecommunications universal service fund to: (1) receive the proceeds of the statewide customer surcharge on local exchange service; and (2) provide financial assistance to telecommunications providers providing universal service to underserved areas.

**Effective:** July 1, 2002.

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### Liggett

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January 15, 2002, read first time and referred to Committee on Commerce, Economic Development and Technology.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## HOUSE BILL No. 1315

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 8-1-2-128 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2002]: **Sec. 128. (a) As used in this section, "local exchange access  
4 service" means telephone exchange access lines or channels that  
5 provide local access to the local telecommunications network to  
6 effect the transfer of information.**

7       **(b) As used in this chapter, "local exchange carrier" means a  
8 telecommunications provider authorized by the commission to  
9 provide, among other services, local exchange access service.**

10       **(c) As used in this section, "universal service" means local  
11 exchange access service and other telecommunications services  
12 designated by the commission under rules adopted under this  
13 section as services that should be available to consumers in all  
14 regions of Indiana at just, reasonable, and comparable rates.**

15       **(d) The commission shall adopt rules under IC 4-22-2 to  
16 preserve and expand universal service that is equitable and  
17 nondiscriminatory.**



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(e) Rules adopted by the commission under this section must do the following:

(1) Designate certain telecommunications services as universal services that should be available to consumers in all regions of Indiana at just, reasonable, and comparable rates.

(2) Impose a statewide customer surcharge on local exchange access service to be collected and remitted to the commission by local exchange carriers.

(3) Provide for the use of the telecommunications universal service fund established by section 129 of this chapter to financially assist telecommunications providers providing universal service to areas designated as underserved by the commission.

(4) Designate geographic areas in Indiana as underserved areas:

(A) that lack access or have only limited access to telecommunications services; and

(B) for which eligible telecommunications providers providing universal service in the area may receive financial assistance from the telecommunications universal service fund.

(5) Be consistent with the Federal Communications Commission's rules and regulations on universal service.

(6) Provide a competitively and technologically neutral funding mechanism to operate in coordination with federal universal service support mechanisms.

(f) Proceeds of the surcharge imposed under subsection (e)(2) shall be deposited in the telecommunications universal service fund established by section 129 of this chapter.

SECTION 2. IC 8-1-2-129 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 129. (a) The telecommunications universal service fund is established for the purpose of providing funding for the provision of universal service throughout Indiana. The fund shall be administered by the commission.**

**(b) The expenses of administering the fund shall be paid from money in the fund.**

**(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.**

**(d) Money in the fund at the end of a state fiscal year does not**



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1     **revert to the state general fund.**

2     SECTION 3. [EFFECTIVE JULY 1, 2002] (a) As used in this  
3     SECTION, "commission" refers to the Indiana utility regulatory  
4     commission created by IC 8-1-1-2.

5     (b) As used in this SECTION, "universal service" has the  
6     meaning set forth in IC 8-1-2-128(c), as added by this act.

7     (c) The commission shall adopt rules under IC 4-22-2 to  
8     preserve and expand universal service that is equitable and  
9     nondiscriminatory, as required by IC 8-1-2-128(d), as added by  
10    this act, not later than June 30, 2003.

11    (d) This SECTION expires January 1, 2004.

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